

MINUTES
BOARD OF SUPERVISORS
COUNTY OF YORK

Adjourned Meeting
October 23, 2001

6:00 p.m.

Meeting Convened. An Adjourned Meeting of the York County Board of Supervisors was called to order at 6:02 p.m., Tuesday, October 23, 2001, in the East Room, York Hall, by Chairman James S. Burgett.

Attendance. The following members of the Board of Supervisors were present: Walter C. Zarembo, Sheila S. Noll, Donald E. Wiggins, and James S. Burgett.

H. R. Ashe was absent.

Also in attendance were James O. McReynolds, County Administrator; and James E. Barnett, County Attorney.

WORK SESSION

REGIONAL TOURISM IMPACT (Not on Agenda)

Mr. David Schulte, Executive Director, Williamsburg Area Convention and Visitors Bureau, briefed the Board members on the impact to the travel industry since the events of September 11 and to let the Board know what the plans were for the future. Overall, the travel industry has been affected more than any other industry, and the effects of the September 11 events will be seen for quite some time. Before September 11 the hotel industry was already having a bad year. The number of people staying overnight has been flat, if not declining; but when the events of September 11 hit, the industry shut down for about three weeks. During that time-frame there was a 15-50 percent drop in travel which was very hard on conference hotels because of entire groups canceling completely. Consensus in the industry is that nothing can be done to help salvage the 4th quarter. The big concern is what happens next spring and summer because schools are canceling field trips, and they make up a big portion of spring business. Group tours are down; 90 percent of the member companies have experienced cancellations this year. Usually the Williamsburg area benefits because of its connection with Washington, D.C., but that is not where people want to go now. The good news is that the Williamsburg area is perceived to be a safe destination that is within an easy drive of most markets feeding the area. Mr. Schulte noted the Williamsburg area will be facing incredible competition next year in that every state is now planning major media events to get people traveling to their states. He then briefed the Board members on what the Convention and Visitors Bureau is doing now, including an advertising campaign regarding the security of the area. He noted that Busch Gardens is allowing all Public Safety employees and their families in the park free through the end of the year, and they have been seeing record attendance. Busch has also gotten a good response from its HallowScream program. Mr. Schulte stated a task force has been established to determine what can be done next year to increase travel, and it is looking for resources to pay for a strong advertising campaign. He noted it will be interesting to see how the room and meals taxes will be affected.

Mrs. Noll asked what the state was doing.

Mr. Schulte stated the state was putting together an emergency package of about \$1.2 million. He indicated he did not know how the money would be used, but in some way it will be used to get people to travel in Virginia.

Discussion followed about targeting the areas within driving distance of the Williamsburg area.

Mr. Zaremba asked Mr. Schulte to look beyond the immediate timeframe and ask the hotels and motels throughout the area to determine what they are getting to date in terms of group travel reservations for the spring and summer of next year. He stated his sensing was that there is an upspring of reservations for after the winter season. He also asked Mr. Schulte what the region was doing collectively to address the slump in tourist-related activities.

Mr. Schulte indicated the travel industry has been meeting for the past several months to try to find a way to stop focusing on the next six months and be able to focus on 10 years from now to see what proactive steps can be taken to insure the stable economic growth of the region. He stated the industry expects to be very busy with this initiative next year.

REDISTRICTING

Mr. McReynolds noted that the population of the County has grown too the extent that election district boundaries must change in order to equalize the numbers of residents in the districts to meet federal requirements. The staff has presented the Board and the residents four alternatives and has held seven different informational meetings throughout the county. At these meetings there were 21 people who came to present their comments, a summary of which the Board has received. Mr. McReynolds stated he hoped the Board will now come to a consensus on an alternative for formal consideration and public hearing.

Mr. Barnett reviewed the federal regulations for preclearance through the Justice Department. He stated he has been working with the County's planners and the Registrar's Office on the kinds of information that will be helpful for the submission.

Mr. Zaremba indicated that the word "preclearance" implies there is a subsequent clearance.

Mr. Barnett stated that actually there is no other clearance. It only means that the public has the right to challenge the submission in court.

Mr. Wiggins asked if the 21 people who attended the meetings provided staff with any useful comments on the plans.

Mr. J. Mark Carter, Planning and Zoning Manager, stated the most prevalent comment was the suggestion that the districts be as compact as possible. Mr. Carter then briefly reviewed the boundaries for the districts in the four alternatives. He noted that the main difference in the alternatives involved the interplay between District 1 and District 3 and whether the boundary was north or south of Yorktown.

Discussion followed on the boundaries of District No. 1 under Alternative No. 2.

Mr. Carter suggested that with whatever alternative was selected the Board extend the District 1 boundary down to its current southern boundary, which is Old Wormley Creek Road, so that it will coincide with one of the State election district boundaries. Doing so it won't change any of the numbers to exceed the deviation thresholds. It will also eliminate the need for the Electoral Board to set up split precincts.

Mr. McReynolds also suggested that the Board include the Belmont Apartments area in District No. 5 as it currently is.

By consensus the Board selected Alternative No. 2, as adjusted, to advertise for public hearing and potential adoption at the November 20 Regular Meeting.

Mr. Zaremba asked when the redistricting plan would go into effect.

Mr. Barnett stated after the Board of Supervisors adopts the ordinance it becomes effective, but there cannot be a general election under the new plan until the Justice Department gives its preclearance.

Mr. McReynolds stated the staff has been working with the Registrar's Office on precinct boundaries, and a version has been developed using Alternative No. 2.

Mr. Carter pointed out that a scheme has been developed that would maintain 13 precincts in the County, as presently exists. Staff has attempted to stay within the Registrar's guidelines in setting the precinct sizes, and has also configured the boundaries to stay within the state district boundaries to eliminate problems in state elections. The Electoral Board members are now taking a look at the scheme, and they may have recommendations coming to suggest slight modifications of these precinct boundaries. Mr. Carter asked for the Board's approval to incorporate these minor modifications, if presented.

By consensus the Board agreed that any minor modification to the precinct boundaries, as recommended by the Electoral Board, should be included in the final version of the ordinance and map presented for public hearing on November 20.

UPDATES ON YORKTOWN REVITALIZATION TAX CREDITS

Mr. McReynolds noted the Board had been briefed on several occasions that staff was planning on using tax credits to fund some of the improvements to the Yorktown waterfront area, which could result in nearly \$300,000 in savings to the County. He stated at this time the staff would like to brief the Board on how the tax credits work.

Mr. Barnett indicated that tax credits exist on both the state and federal level, and they allow someone who is planning on renovating an historic building to generate tax credits. The mechanism by which they can be sold under applicable tax laws is relatively complex. He introduced Ms. Fiona Tower, an attorney with Kutack Rock, a firm that deals in this type of tax law. Mr. Barnett stated that some have been able to recoup one-third of their renovation costs through the use of tax credits, and the County has retained Kutack Rock to see it through the process. He noted the process includes consent from the York Town Trustees to convey the freight shed to the County to make the renovations, and it will be conveyed back to the Trustees once the renovations are complete.

Ms. Tower presented the Board with a diagram to help explain her overview of the structure of the tax credits. She noted that both the state and federal governments have tax incentive programs to encourage the rehabilitation of historic buildings, and the tax credits are dollar-for-dollar offsets for tax liabilities. She explained in detail how the tax credit structure works and how it would work specifically for the renovation of the freight shed.

Discussion followed on how the tax credits are purchased and used, the market for tax credits, ownership of the limited partnership and the rules prohibiting governmental ownership of such a project.

Mr. Barnett indicated that much of the initial work has already been accomplished with the National Park Service in getting its approval for the renovations of the building.

Mr. Zaremba asked what types of documents would be prepared and who would be responsible for each.

Ms. Tower indicated there would be the conveyance agreement which Mr. Barnett was already preparing; the loan documents between the IDA and the limited partnership which would be prepared by the IDA counsel in conjunction with Mr. Barnett; and the partnership documents between the limited partnership and the tax credit investors which would be prepared by the tax attorneys with Mr. Barnett's input.

Discussion followed concerning the kinds of risk to the County.

Mr. Zaremba then asked if the County was prohibited by law from doing something with the freight shed other than renovating it.

Mr. Robert Kraus, Director of Yorktown Projects, stated the National Park Service will not release the building unless it is to be renovated.

Mr. Zaremba noted the vast amount of money that is planned to be expended on renovating the building, and stated he did not want the Board and the County to look foolish when something else could have been done with the building or it could have been leveled and something else built in its place for far less money. He asked if there was anything in writing from the National Park Service indicating the County could only renovate the building.

Mr. Kraus stated he had nothing in writing, but he would request that the National Park Service put its position in writing tomorrow.

Chairman Burgett directed that Mr. Kraus secure documentation, but that staff continue with putting the tax credits program in place.

CLOSED MEETING. At 7.26 p.m. Mr. Wiggins moved that the Board convene in Closed Meeting pursuant to Section 2.1-344(a)(1) of the Code of Virginia regarding a personnel matter involving the employment of a specific public officer; and Section 2.1-344(a)(3) regarding discussion on the acquisition of real property for a public purpose.

On roll call, the vote was:

Yea: (4) Zaremba, Noll, Wiggins, Burgett
Nay: (0)

October 23, 2001

Meeting Reconvened. At 8:05 p.m. the meeting was reconvened in open session by order of the Chair.

Mr. Zaremba moved the adoption of proposed Resolution SR-1 that reads:

A RESOLUTION TO CERTIFY COMPLIANCE WITH THE FREEDOM
OF INFORMATION ACT REGARDING MEETING IN CLOSED SES-
SION

WHEREAS, the York County Board of Supervisors has convened a closed meeting on this date pursuant to an affirmative recorded vote and in accordance with the provisions of the Virginia Freedom of Information Act; and

WHEREAS, Section 2.1-344.1 of the Code of Virginia requires a certification by the York County Board of Supervisors that such closed meeting was conducted in conformity with Virginia law;

NOW, THEREFORE, BE IT RESOLVED by the York County Board of Supervisors this the 23rd day of October, 2001, hereby certifies that, to the best of each member's knowledge, (1) only public business matters lawfully exempted from open meeting requirements by Virginia law were discussed in the closed meeting to which this certification resolution applies, and (2) only such public business matters as were identified in the motion convening the closed meeting were heard, discussed, or considered by the York County Board of Supervisors.

On roll call, the vote was:

Yea: (4) Noll, Wiggins, Zaremba, Burgett
Nay: (0)

Meeting Adjourned. At 8:06 p.m. Chairman Burgett declared the meeting adjourned sine die.

James O. McReynolds, Clerk
York County Board of Supervisors

James S. Burgett, Chairman
York County Board of Supervisors